



Coast Guard Investigative Service Central Region
Resident Agent Office – Chicago



Great Lakes Maritime Intelligence Summary

Report: MIS-005-05

20 May 2005

*The Great Lakes Maritime Intelligence Summary is composed of recent law enforcement intelligence and security information related to the maritime environment. The information is being disseminated in an effort to provide the most current intelligence, security, and threat information that could impact the maritime domain. This product is **UNCLASSIFIED**. Information contained in this product was compiled from open sources and does not represent official CGIS, U.S. Coast Guard, or FBI analysis.*

Homeland Security Advisory Threat Level: **YELLOW**

Force Protection Condition: **Alpha+**

Maritime Security Posture: **MARSEC One**

A. Regional Terrorism and Security Events

B. Narcotics Intelligence

C. Environmental Intelligence

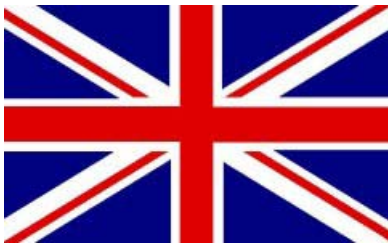
D. Maritime and Port Security

E. Quote

A. Regional Maritime Terrorism and Security

EUROPE

Al-Qaeda Threat to Trafalgar Fleet



United Kingdom - Security chiefs fear Al-Qaeda terrorists trained as scuba divers could mount attacks against a royal review of the fleet being held to mark the 200th anniversary of the battle of Trafalgar. Officials fear Al-Qaeda divers could attach bombs to the hulls of the ships, detonate explosives strapped to their bodies in suicide attacks or even board vessels and kill some of those on board. The Queen, in her office as Lord High Admiral, will review about 40 ships from the navies of nations including France and Spain. She will be on the deck of one of the Royal Navy ships. The review of the fleet, which takes place on June 28, is the first in a series of events celebrating the 200th anniversary on October 21 of the battle in which Nelson destroyed the Franco-Spanish fleet. A number of Royal Navy vessels now have machineguns mounted on their decks to defend ships against possible "swarm attacks" by terrorists in boats. That measure was taken in 2002 in the wake of the arrest, during a joint UK- Moroccan operation, of an Al-Qaeda cell based in Morocco that was planning to attack Royal Navy vessels in the Strait of Gibraltar. Although any underwater diver could be picked up on the navy ships' sonar systems, they are not sophisticated enough to distinguish between a man and an ocean-going mammal such as a seal or a dolphin. Even if they were picked up, the use of a swarming technique would hamper the authorities' efforts to prevent an attack. "The point of a swarm attack is that you might stop some of them but some of them will get through," said Jones. The suggestion that Al-Qaeda might attempt swarm attacks using men trained in diving skills is not new. For the past three years, the FBI has been investigating reports of Middle Eastern suspects approaching scuba diving clubs in America and inquiring about training. **(Source – UK Times; 24 April 2005)**

Turkey - On 27 April 2005, Turkish police officials defused a device consisting of plastic explosives and a timer that had been placed underneath the Haliç Bridge in Istanbul. The Haliç Bridge is one of three bridges spanning the Golden Horn estuary and receives heavy traffic on a daily basis. Police officials closed the bridge as they carried out a controlled explosion of the device. The Istanbul police chief stated that a similar device was discovered earlier in the day at a garage for municipal buses. He added that neither device was capable of causing significant damage. There has been no claim of responsibility for either incident. **(Source – Air Security International; 27 April 2005)**

SOUTH AMERICA

No Significant Information to Report

ASIA



Philippines - A special anti-terrorism unit from the Philippine Coast Guard seized ten sacks filled with chemicals believed to contain TNT components. The cache was stashed at a warehouse near Manila's port area by an unknown consignee and was discovered during a routine inspection by Sea Marshals. The ten sacks contained substances "in white powdered form with a very strong acidic odor," the report said, adding that further tests showed that substance "was found positive for TNT component." The cache was to be shipped to the southern Philippine port city of Davao. Davao is on the main southern island of Mindanao, where Muslim militants linked to al-Qaeda operate and is also the scene of a decades-old separatist insurgency. In 2003, Muslim militants bombed a wharf and an international airport terminal in Davao, killing more than 30 people and wounding around 200 others. *(Source: Hong Kong AFP; 3 May 2005)*

AFRICA

No Significant Information to Report

MIDDLE EAST

No Significant Information to Report

NORTH/CENTRAL AMERICA

No Significant Information to Report

B. Narcotics Intelligence

Peru - Peruvian police have seized more than a ton of cocaine destined for the United States, as it was being packed into a shipment of canned fish at a seafood processing plant. Ten people were arrested at the Colra fish factory, and just over 2,200 pounds of cocaine was confiscated. According to Peru's anti-drug agency, Devida, high coca prices have caused production to jump from 44,000 hectares in 2003 to 50,600 hectares in 2004 as new plantings are outpacing eradication efforts. Peruvian authorities believe drug traffickers have re-established ties with remnants of the Maoist Shining Path insurgency. *(Source: Associated Press; 17 April 2005)*



St. Thomas, U.S. Virgin Islands - The 48-foot sailing vessel Geo was escorted into Charlotte Amalie on 14 May 2005 after U.S. Coast Guard Boarding Team members aboard the British Royal Fleet Auxiliary vessel Wave Knight found more than 187 kilo grams of cocaine hidden below decks. Geo was located 26 miles north east of Anguilla, Lesser Antilles. The sailboat, registered in Gibraltar, did not respond to routine inquiry via radio and was boarded by the U.S. Coast Guard Law Enforcement Detachment (LEDET) embarked on Wave Knight with the permission of the U.K. government. Coast Guard LEDET members specialize in counter drug and maritime interdiction operations and routinely deploy on U.S., British, French and Dutch naval vessels. Suspensions were raised when apparent repairs to the starboard side of Geo noticed by the boarding team were unexplainable by the crew of two. Further suspicions arose when some of the vessels floorboards, normally not accessible, showed signs of recent removal. The two men aboard Geo were later taken into custody after the boarding team found the cocaine. *(Source: USCG 7th District Public Information Office; 14 May 2005)*



C. Environmental Intelligence

No Significant Information to Report

D. Maritime and Port Security

The Maritime Threat



In the aftermath of the devastating attacks of 11 September 2001, governments around the world began scrambling to assess their vulnerability to highly organized terrorist groups, which, like Al-Qaida and its ilk, are undaunted by the sacrifice of thousands of lives in realizing their objectives. Mega-terrorism, previously seen as a fictional threat, suddenly became very real. Security agencies around the world now view maritime transport as a prime target for future attacks. Despite the elapse of time and the measures taken since 9/11, the maritime sector remains extremely vulnerable to terrorism, and it is expected that an attempted attack on a significant maritime target will take place during 2005. Such concerns were heightened by the confirmation by Osama bin Laden himself in his October 2004 video that his agenda remains largely economic.



World trade is dependent mainly on maritime transport. The United Nations Conference on Trade and Development (UNCTAD) estimates that 5.8 billion tons of goods were traded by sea in 2001, accounting for over 80% of global trade volume. Over 46,000 vessels, servicing nearly 4,000 ports throughout the world, carry the bulk of this trade. Great strides have been made in recent years to render this system as open and frictionless as possible, so as to prompt yet greater economic growth. According to UNCTAD reports, world sea-borne trade peaked at 5.89 billion tons in 2002, exceeding the previous record set in 2000. These trade figures reflect the improved growth in world maritime trade and are expected to continue to grow. However, the very factors that allow maritime transport to contribute to economic prosperity also leave it uniquely vulnerable to terrorism. The risks are numerous, and encompass passenger cruise ships and ferries, container and bulk shipping, not to mention the port facilities themselves. The vulnerabilities are significant and range from potential physical attacks on ports, vessels and shipments to document fraud and illicit fundraising for terrorist groups, illicit trafficking in and/or use of weapons, explosives, non-conventional or hazardous materials, and much more. The stakes are extremely high, since any major breakdown in the maritime transport system could cost dearly in terms of lives and would fundamentally cripple global trade. The size, accessibility, and metropolitan location of many port facilities ensure a free flow of trade and travel, but these factors also make the monitoring and controlling of traffic through the ports very difficult.



Trends in maritime threats



While the threat of piracy is as old as maritime travel, the number of attacks by pirates reported around the world has more than tripled during the past 10 years. Areas of highest concern include Indonesia (Anambas Islands, Gelasa Straits), Bangladesh (Chittagong, Mongla), India (Chennai, Chochin, Haldia), Malaysia (Bintulu, Sandakan), Somalia and Nigeria. Al-Qaida is known to have a maritime military manual dealing with how to attack ships, and showing different classes of vessels, where to hit them and how much explosives are needed. In addition, al-Qaida has a history of nautical attacks. The group's tactics indicate an increase in strikes against shipping and port facilities as part of its push to hit economic targets. Intelligence officials have identified cargo freighters they believe are controlled by al-Qaida, which could be used by the terrorist network to ferry operatives, bombs, money, or commodities on the high seas.



Over the years, terrorism has usually targeted land and/or aviation targets. However, many experts believe that this situation will change in the near future, because of the very high vulnerability of maritime transportation, including shipping, port, coastal facilities and shipping containers, and maritime security has hitherto taken a back seat to the more urgent need to address aviation threats. Terrorists- particularly al-Qaida-threaten ships and ports directly. In 2000, a small boat filled with explosives rammed into the USS Cole in Yemen, and in October 2002 the French-owned supertanker Limburg was attacked in similar fashion in the Persian Gulf region. These incidents, coupled with updated intelligence, indicate that terrorists may be stepping up attacks against shipping, especially in the Middle East, and on Mediterranean seaports and coalition force assets. Not only oil tankers and warships are under threat; future attacks could target commercial shipping, including cargo ships, cruise liners or even ferries, practically anywhere in the world.



States participating in the coalition in Iraq seem to be at greater threat than other nations, at least in the short term. A recent case of particular interest is reported to have taken place in February 2004, when a 1,050-passenger ferry sank in the Philippines after a bomb, consisting of eight pounds of TNT packed into a television, was detonated in the lower decks. Notwithstanding the investment in maritime security made by governments worldwide, the threat is still imminent. Even in the United States, where perhaps the greatest maritime budget has been allocated, the ports are far from secure. The port-security program "has not yet achieved its intended results in the form of actual improvement in port security," according to the Department of Homeland Security's own inspector general. The result is that the department "had no assurance that the program is protecting the nation's most critical and vulnerable port infrastructure and assets." The recent appointment of Saud Hamid al-Utaibi as new al-Qaida commander in Saudi



Arabia-largely thanks to his expertise in marine terror-has caused many security experts to raise the threat level to maritime security. Hamid al-Utaibi's experience includes an active role in blowing up the USS Cole in October 2000 and in attacking the French Limburg tanker two years later-both rammed by exploding speedboats in Yemeni waters.

Subsequent to the appointment, the United States warned a number of Mediterranean states that maritime attacks involving chemical agents might be imminent.

The feasible modes of operation are far-reaching. To mention a few, terrorists could hijack a vessel, or they could register a ship in a 'flag of convenience' nation, and use it for terrorist activities; or they could purchase and make use of a legitimate shipping



company and its vessels to carry out acts of terrorism without coming under suspicion. These ships could be loaded with explosives and crashed into other vessels, port facilities, critical infrastructure, or population centers



on the coast. Alternatively, oil tankers or vessels carrying hazardous materials could be used as terrorist weapons. The types of vessels mentioned above, major ports, coastal oil depots, power stations, harbors or bridges could be ideal targets for such attacks. Maritime attacks may also involve the use of small underwater craft, such as small submarines or underwater motor-propelled sleds for divers. Some terrorist groups are known to have experimented with such methods. Intelligence reports point out that radicals from the Jemaah Islamiyah (JI), a group linked to the al-Qaida network, have been trained in sea-borne guerilla tactics, such as suicide diving and ramming, developed by the Liberation Tigers of Tamil Eelam (LTTE). Terrorists could also gain unauthorized access to ships and port facilities to place explosives. At least one al-Qaida operative is known to have been in the process of obtaining an international seaman's license that would allow him into any port in the world without a visa.



One of the most frightening terrorist threats to maritime security involves terrorists smuggling and/or activating explosives or WMD in general-and dirty bombs in particular-into a sovereign country using cargo containers. Such a scenario became less notional after alert Italian security personnel in Gionia Tauro revealed the 'Container Bob' incident in October 2001. In that incident, an Egyptian man with Canadian citizenship, nicknamed "Container Bob", was discovered when Port police in the Italian city of Gioia Tauro heard an unusual noise coming from a cargo container. Upon opening it, they discovered a well-dressed man drilling ventilation holes. He was

equipped with a bed, a toilet, water supply, satellite phone, laptop computer, cameras, and maps. He also had security passes to various airports in North America. A weapon smuggled in such a container could be detonated upon arrival at the port or at any strategic point along the container's route. Targets could include strategic transportation nodes, symbolic landmarks, or large population centers. In addition to death and destruction, any such attack using WMD would undoubtedly have a traumatic effect on the national psyche, not to mention the regional and global economy.

There are regions that are more susceptible than others to maritime attack. This vulnerability stems from both tangible and intangible variables, with one of the primary variables being geographic location. Countries considered of higher susceptibility are countries with maritime routes easily accessed from states that are believed to have terrorist organizations operating from their waters, such as Lebanon, Syria, Libya and others.

What should be done?

To successfully confront terror, it has become widely acknowledged that candid and constant international cooperation is a must. This cooperation is even more vital when attempting to mitigate the maritime threat, due to its international idiosyncrasies. Enhanced physical security of port facilities, increased patrols of waterways, ports and coastal facilities, container security and protection against explosives and the creation of databases to track cargo, ships and seaman are all imperative measures in mitigating the threat. Nevertheless, they will almost all be for naught, if international agreements and cooperation are not upheld.



The International Ship and Port Facility Security Code (the "Code") is an important international security initiative developed by the International Maritime Organization, which has 108 state members. The Code contains security-related requirements for governments, port authorities and shipping companies, together with a series of guidelines on how to meet these necessities. The Code requirements were to have been implemented by July of 2004; however, many large and vulnerable ports have yet to comply with the international requirements. This lack of compliance leaves the entire maritime industry vulnerable to attack. **(Source – International Policy Institute for Counter-Terrorism (ICT); 25 April 2005)**

UN Takes Over Port - Seaport Police Disbanded



Liberia - Normal working activities at the Free port of Monrovia came to a stand still Monday (April 25, 2005) when the newly deployed UNMIL security denied several port users and employees entry into the port. The port users and employees who were barred from entering the Port did not have UNMIL's authorized access pass. The Managing Director of the National Port Authority, Mr. Joe Gbalah disclosed that UNMIL took over security at the Free Port to protect the premises and bring it up to international standard, prevent intruders, and theft. Gbalah also indicated that the Liberia Sea Port Police (LSPP) is expected to undergo restructuring. **(Source – OSAC; 27 April 2005)**

Progress 'Limited' On Seaport Security

United States - A Department of Energy effort to guard against nuclear traffickers by installing radiation detection equipment at foreign seaports has made "limited progress," chiefly because of troubled negotiations with some countries, according to a report by the Government Accountability Office. Officials with Energy's Megaports Initiative have completed work at two foreign ports, forged agreements with authorities at five other ports and are in negotiations with 18 others, according to the March report. A government model has ranked 120 foreign seaports according to their attractiveness to potential nuclear smugglers, and this year the DOE expects to add 80 ports to the rankings. The National Nuclear Security Administration, the agency within the Energy Department that oversees the two-year-old program, "generally agrees" with the report's findings ...But the Energy Department has signed agreements to begin work at only two of the 20 highest-priority ports, and authorities in some host countries have been reluctant to join the effort, the GAO reported...The Energy Department expects to install detection equipment in 20 ports by 2010 at a cost of \$337 million, a figure the GAO called uncertain. The department had spent \$43 million on the program by the end of September, including \$14 million on a pilot project in Rotterdam, and on completing installations in Piraeus, Greece. Those two ports ranked lower in priority than many others. **(Source - Washington Post; 4 May 2005)**



Botched Cargo Theft in Malaysia is a Wake-Up Call for Ports

Malaysia - The hijacking of an Indonesian vessel and botched cargo theft serve as a wake-up call for the region's ports and exposes serious flaws in security at Malaysia's Pasir Gudang, an International Maritime Bureau (IMB) official said. Pirates who remained on board as the vessel berthed diverted the hijacked vessel away from its Singapore destination to the Johor port **(Left Photo)**. They held the captain at gunpoint while cargo was discharged to a warehouse. Noel Choong, IMB Regional Reporting Center manager in Kuala Lumpur, said the incident could point to a highly organized syndicate stretching at least from Indonesia to Malaysia. Specifically, the incident raises questions about the level of port security in Pasir Gudang. He said the vessel's crew list identifies who should be on board. The pirates were also carrying weapons, but likely hid most of them before entering port. In order to get into port, a pilot must be arranged, an agent and stevedores appointed, all of which require documentation. Choong said the incident demonstrates how easy it would be for terrorists to infiltrate the Johor and other ports. **(Source – World News; 7 May 2005)**



US Fears Terrorist Abuse of Merchant Marine IDs

Washington - Terrorists can exploit lax identification procedures in the merchant marine to obtain sailors' credentials and stage attacks on ships or ports, a top U.S. Coast Guard official said. "Merchant Marine documents ... contain virtually no security features," Rear Admiral Larry Hereth said in written testimony to a Senate commerce, science and transportation committee hearing. "We cannot, and must not, continue with business as usual in the area of mariner credentialing. The specter of a terrorist obtaining and using a merchant-mariner credential to access and attack vital areas of a strategic port is one that is very real," he said. Hereth, the director of port security for the Coast Guard, said his agency was working with the Transportation Security Administration to help implement new identification standards for commercial sailors, but there was no timetable. Members of the U.S. Merchant Marine must be U.S. citizens or permanent resident aliens. Since the Sept. 11, 2001, attacks, foreign commercial sailors need a U.S. Visa to disembark from their ships in U.S. ports. Despite a series of new U.S. and international programs that have beefed up port and vessel security since the 2001 attacks, experts say huge gaps remain in the long chain between the origin of goods and their final destination. They say porous borders, global logistics chains, limited funds and the trade-off between security and commerce make fail-safe protection impossible. Officials, experts and industry sources say the U.S. Government has paid far greater attention to aviation security since the Sept. 11 attacks than to maritime safety, even though the shipping industry is at least equally vulnerable to attack. "From smuggling to piracy, suicide attacks to the threat of weapons of mass destruction, the threats are many and varied," Hereth's said. About 50 percent of all U.S. imports arrive at the country's 361 ports each year, yet only about five percent of the more than nine million containers that come to the United States every year are examined on arrival. **(Source – Reuters; 17 May 2005)**



E. Quote



“A few people in the United States stiffly hold on to the Cold War mentality and drum up the so-called 'China Threat Theory' by fabricating stories about China stealing technologies from the United States. All these allegations are baseless with ulterior motives. Their purpose is to use this to denigrate China and harm Sino-U.S. relations. Facts have proven that such attempts are doomed to fail.” – Chinese Consulate Written Statement.

Support USCG “Eyes on the Water” and “America’s Waterway Watch” Programs

Prevention of terrorism is everyone’s responsibility. Whether traveling aboard or living in the United States, all Americans must practice increased security awareness. The 1993 World Trade Center attack, the 1995 Oklahoma City bombing and the attacks on 11 September 2001 show the United States at home is not immune to domestic and international terrorism. You are the first line of defense! Immediately report suspicious activity to the National Response Center (NRC), local police, security, FBI Joint Terrorism Task Force (JTTF) Maritime Liaison Agent (MLA) and your local CGIS or FIST office. In Chicago, the FBI MLA is Task Force Officer (TFO) Robert A. Reggio at (312) 786-2791. America’s Waterway Watch Program can be found at http://www.uscg.mil/hq/g-m/mp/AWW_Website/

NRC 24-Hour Contact Number: 1-800-424-8802

CGIS RAO Chicago Contact Information:

Chicago, IL:

RAC Robert A. Reggio	(630) 986-2160	Rreggio@msochicago.uscg.mil
S/A Gerry Griner	(630) 986-2181	Ggriner@msochicago.uscg.mil

Milwaukee, WI:

S/A Larry Powalisz	(630) 986-2181	Lpowalisz@msochicago.uscg.mil
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Duluth, MN:

S/A John Engle	(651) 290-3991	Jengle@grpumr.uscg.mil
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